

STATE OF SOUTH DAKOTA
CONSULTING CONTRACT

Agreement made and entered into this 3rd day of December, 2010,
by and between the State of South Dakota, Office of the Governor, of 500 E. Capitol
Ave., Pierre, South Dakota 57501, (the "State") and Gail Gray, of 9B Glendale Road,
Rapid City, South Dakota 57702, 605.343.4595 (the "Consultant").

The State hereby enters into this Agreement for services with Consultant in
consideration of and pursuant to the terms and conditions set forth herein.

1. The Consultant will perform those services described in the Work Plan,
attached hereto as Exhibit A and by this reference incorporated herein.
2. The Consultant's services under this Agreement shall commence on September
21, 2010 and end on March 21, 2011, unless sooner terminated pursuant to the terms
hereof.
3. The Consultant will not use State equipment, supplies or facilities. The
Consultant will provide the State with its Employer Identification Number, Federal Tax
Identification Number or Social Security Number upon execution of this Agreement.
4. The State will make payment for services upon satisfactory completion of the
services. The TOTAL CONTRACT AMOUNT is an amount not to exceed \$30,000 plus
allowable expenses, payable at a rate of \$5,000 per month plus allowable expenses.
Payment will be made pursuant to itemized invoices submitted with a signed state voucher.
Payment will be made consistent with SDCL ch. 5-26.
5. The Consultant agrees to indemnify and hold the State of South Dakota, its
officers, agents and employees, harmless from and against any and all actions, suits,
damages, liability or other proceedings that may arise as the result of performing services
hereunder. This section does not require the Consultant to be responsible for or defend
against claims or damages arising solely from errors or omissions of the State, its
officers, agents or employees.
6. While performing services hereunder, the Consultant is an independent
contractor and not an officer, agent, or employee of the State of South Dakota.
7. Consultant agrees to report to the State any event encountered in the course of
performance of this Agreement which results in injury to the person or property of third
parties, or which may otherwise subject Consultant or the State to liability. Consultant
shall report any such event to the State immediately upon discovery.

Consultant's obligation under this section shall only be to report the occurrence of any event to the State and to make any other report provided for by their duties or applicable law. Consultant's obligation to report shall not require disclosure of any information subject to privilege or confidentiality under law (e.g., attorney-client communications). Reporting to the State under this section shall not excuse or satisfy any obligation of Consultant to report any event to law enforcement or other entities under the requirements of any applicable law.

8. This Agreement may be terminated by either party hereto upon thirty (30) days written notice. In the event the Consultant breaches any of the terms or conditions hereof, this Agreement may be terminated by the State at any time with or without notice. If termination for such a default is effected by the State, any payments due to Consultant at the time of termination may be adjusted to cover any additional costs to the State because of Consultant's default. Upon termination the State may take over the work and may award another party an agreement to complete the work under this Agreement. If after the State terminates for a default by Consultant it is determined that Consultant was not at fault, then the Consultant shall be paid for eligible services rendered and expenses incurred up to the date of termination.

9. This Agreement depends upon the continued availability of appropriated funds and expenditure authority from the Legislature for this purpose. If for any reason the Legislature fails to appropriate funds or grant expenditure authority, or funds become unavailable by operation of law or federal funds reductions, this Agreement will be terminated by the State. Termination for any of these reasons is not a default by the State nor does it give rise to a claim against the State.

10. This Agreement may not be assigned without the express prior written consent of the State. This Agreement may not be amended except in writing, which writing shall be expressly identified as a part hereof, and be signed by an authorized representative of each of the parties hereto.

11. This Agreement shall be governed by and construed in accordance with the laws of the State of South Dakota. Any lawsuit pertaining to or affecting this Agreement shall be venued in Circuit Court, Sixth Judicial Circuit, Hughes County, South Dakota.

12. The Consultant will comply with all federal, state and local laws, regulations, ordinances, guidelines, permits and requirements applicable to providing services pursuant to this Agreement, and will be solely responsible for obtaining current information on such requirements.

13. The Consultant may not use subcontractors to perform the services described herein without the express prior written consent of the State. The Consultant will include provisions in its subcontracts requiring its subcontractors to comply with the applicable provisions of this Agreement, to indemnify the State, and to provide insurance coverage for the benefit of the State in a manner consistent with this Agreement. The Consultant

will cause its subcontractors, agents, and employees to comply, with applicable federal, state and local laws, regulations, ordinances, guidelines, permits and requirements and will adopt such review and inspection procedures as are necessary to assure such compliance.

14. The Consultant certifies that neither Consultant nor its principals are presently debarred, suspended, proposed for debarment or suspension, or declared ineligible from participating in transactions by the federal government or any state or local government department or agency. Consultant further agrees that it will immediately notify the State if during the term of this Agreement Consultant or its principals become subject to debarment, suspension or ineligibility from participating in transactions by the federal government, or by any state or local government department or agency.

15. Any notice or other communication required under this Agreement shall be in writing and sent to the address set forth above. Notices shall be given by and to Chief of Staff on behalf of the State, and by Gail Gray, on behalf of the Consultant, or such authorized designees as either party may from time to time designate in writing. Notices or communications to or between the parties shall be deemed to have been delivered when mailed by first class mail, provided that notice of default or termination shall be sent by registered or certified mail, or, if personally delivered, when received by such party.

16. In the event that any court of competent jurisdiction shall hold any provision of this Agreement unenforceable or invalid, such holding shall not invalidate or render unenforceable any other provision hereof.

17. All other prior discussions, communications and representations concerning the subject matter of this Agreement are superseded by the terms of this Agreement, and except as specifically provided herein, this Agreement constitutes the entire agreement with respect to the subject matter hereof.

In Witness Whereof, the parties signify their agreement effective the date above first written by the signatures affixed below.

STATE

CONSULTANT

BY: Tom Dravland
Tom Dravland

BY: Gail Gray
Gail Gray

Chief of Staff
(TITLE)

Consultant 517-52-5502
(TITLE)

12/3/10
(DATE)

12-1-10
(DATE)

- State Agency Coding (MSA Center): 010101.
- State Agency MSA Company for which contract will be paid 1000.
- Object/subobject MSA account to which voucher will be coded 5204090.
- Name and phone number of contact person in State Agency who can provide additional information regarding this contract Chief of Staff, 773-3662.

Exhibit A

Work Plan

Consultant agrees to:

1. Function as a management and policy consultant for the Michael J. Fitzmaurice Veterans Home (MJFVH) by providing advice and assistance intended to facilitate the process necessary to obtain Medicaid certification.
2. Review and make recommendations to MJFVH relevant to its Plan of Correction that was submitted as a result of the July survey (e.g., ensure the plan is being followed and monitored).
3. Assist in reviewing Medicaid regulations and determining the key actions and resources necessary to ensure compliance, including development of a timeline for Medicaid certification of the facility.
4. Assist in reviewing internal policies and procedures to ensure that they adequately and properly address applicable state and federal regulations.
5. Assist in reviewing staff training programs to ensure that they are adequate and appropriate.
6. Assist in reviewing and ensuring that the current programs and services provided to MJFVH residents are delivered in a manner consistent with state and federal regulations.
7. Serve as a liaison between MJFVH leadership and the Governor's Office, as well as other state agencies.
8. Assist in coordinating meetings/consultations/technical assistance with staff from other state agencies and the staff from MJFVH.
9. Attend meetings and briefings on behalf of the Governor's Office as mutually agreed by the State and Consultant.
10. Be available for telephonic consultation as needed.
11. Provide periodic status reports to the Chief of Staff.